

OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

No. D06-203

AMERICAN SERVICE
INSURANCE COMPANY,REVISED
CONSENT ORDER
IMPOSING A FINE

An Authorized Insurer

Findings of Fact:

1. American Service Insurance Company ("American Service") is authorized to conduct insurance business in Washington State. It issues property, vehicle and casualty insurance.
2. American Service completed filing its calendar year 2005 Annual Statement on May 5, 2006 and its 2005 April Supplemental filing on April 28, 2006.
3. The April Supplemental filing is a required annual statement supplement per the *National Association of Insurance Commissioners' Quarterly and Annual Statement Filing Instructions*. The Washington Office of the Insurance Commissioner ("OIC") also posts Annual Statement Filing Instructions on its website that indicate that this filing is due by April 1 of the following calendar year. AC 284-07-050 requires adherence to these filing instructions.

Conclusions of Law:

1. American Service's failure to timely file its calendar year 2005 Annual Statement and 2005 April Supplemental filing constitutes two violations of RCW 48.05.250.
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

American Service consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.

1. American Service consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with all applicable laws and



regulations of the State of Washington. It waives further administrative or legal challenge to the actions taken, or to be taken, by the Insurance Commissioner, related to the subject matter of this Order.

2. Within thirty days of the entry of this Order, American Service will pay to the Insurance Commissioner a fine in the amount of \$1,500 (one thousand five hundred dollars).

3. Failure to pay the fine in full within thirty days of the entry of this order will constitute grounds for revocation of the certificate of authority held by American Service in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 16TH day of AUGUST, 2006.

AMERICAN SERVICE INSURANCE COMPANY

By: Mary Ann Gallagher

Printed Name: MARY ANN GALLAGHAN

Printed Corporate Title: CORPORATE SECRETARY

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

Order:

1. American Service Insurance Company is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$1,500 (one thousand five hundred dollars).

2. Failure to pay the fine timely and in full will constitute grounds for revocation of the certificate of authority held by American Service Insurance Company in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 23rd day of August, 2006

MIKE KREIDLER
Insurance Commissioner

By: Marcia G. Stickler
Marcia G. Stickler
Legal Affairs Division